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Jane Doe (D.H)

**UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA**

Jane Doe (D.H.), an individual,)
Plaintiff)
)
)
v.)
)
)
Scottsdale Inns, LLC d/b/a Howard Johnson,)
Scottsdale Inn, LLC d/b/a Howard Johnson,)
PRC Investment LLC d/b/a Howard)
Johnson, Parimal Parmar, and Wyndham)
Hotels & Resorts, Inc.,)
Defendants.)

No. CV-23-00759-PHX-JJT
FIRST AMENDED COMPLAINT

Assigned to the Honorable
John J. Tuchi, Judge

1
2 COMES NOW Plaintiff Jane Doe (D.H.), by and through the undersigned counsel,
3 and respectfully submits her complaint for damages and makes the following averments.
4

5 **SUMMARY**

6 1. As sex trafficking has grown to epidemic proportions, it has become widely
7 recognized that we must look beyond just the pimp and sex buyer in order to stop sex
8 trafficking. We must look to the other individuals and entities who facilitate and benefit
9 from sex trafficking.

10 2. The facilitation of sex trafficking is unlawful under federal law. The
11 Trafficking Victims Protection Reauthorization Act (“TRVPA”), 18 U.S.C. § 1581, *et seq.*,
12 expands trafficking liability beyond the sex seller and buyer to also prohibit individuals or
13 entities from knowingly benefiting or attempting to benefit “financially or by receiving
14 anything of value from participation in a venture which that person knew or should have
15 known” was engaged in trafficking.

16 3. This case is about the continuous sex trafficking of D.H. that occurred at a
17 Howard Johnson located at 7110 E Indian School Rd, Scottsdale, AZ 85251 (“subject
18 Howard Johnson”). The subject Howard Johnson was owned and operated by Defendant
19 Scottsdale Inns, LLC, as a franchisee of Wyndham Hotels & Resorts, Inc., and/or by
20 Defendant Scottsdale Inn, LLC, as a franchisee of Wyndham Hotels & Resorts, Inc, and/or
21 by PRC Investment LLC, as a franchisee of Wyndham Hotels & Resorts, Inc., and/or by
22 Parimal Parmar. Defendants Scottsdale Inns, LLC, Scottsdale Inn, LLC, PRC Investment
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1 LLC and Parimal Parmar are collectively referred to herein as "Scottsdale Inn."

2 4. As discussed herein, each of the defendants in this case knowingly benefitted
3 from participation in a venture that facilitated trafficking and ultimately, D.H.'s trafficking
4 at the subject Howard Johnson. Accordingly, D.H. brings suit under the TVPRA.
5

JURISDICTION & VENUE

5. This Court has original jurisdiction pursuant to 28 U.S.C. § 1331 because this action involves a federal question under the TVPRA.

6. Venue is proper in this Court pursuant to 28 U.S.C. § 1331(b) because a substantial part of the events or omissions giving rise to this claim occurred in this District and Division.

7. D.H. was trafficked in this District and Division.

PARTIES

8. D.H. is a natural person who is currently a resident and citizen of California.

9. Defendant Scottsdale Inns, LLC d/b/a Howard Johnson is a duly qualified and licensed limited liability company in the State of Arizona. It can be served by its registered agent Registered Agent Solutions, Inc, 300 W. Clarendon Ave, Suite 240, Phoenix, AZ 85013.

10. Defendant Scottsdale Inn, LLC d/b/a Howard Johnson is a duly qualified and licensed limited liability company in the State of Arizona. It can be served by its registered agent Keith Mishkin, 14602 N. Tatum Blvd., Phoenix, AZ 85032.

11. Defendant PRC Investment LLC is an Arizona limited liability company that

can be served through its registered agent, Parimal Parmar, 2836 E. Van Buren St.,
Phoenix, AZ 85008.

4 12. Defendant Parimal Parmar is an individual residing in Arizona who may be
5 served with process at 2836 E. Van Buren St., Phoenix, AZ 85008.

6 13. Defendant Wyndham Hotels & Resorts, Inc. d/b/a Howard Johnson
7 (“Wyndham”) is a Delaware corporation with its principal place of business in New
8 Jersey. It can be served by its registered agent Corporate Creations Network Inc, 3260 N
9 Hayden Road #210, Scottsdale, AZ 85251.
10

FACTS

The Hotel Industry's Role in Sex Trafficking

14. What Defendants knew or should have known about the sex trafficking that
15 was occurring in their jointly operated hotel, including the trafficking of D.H., is shaped by
16 the widely known and pervasive relationship between the hotel industry and sex
17 trafficking.

20 15. Defendants are aware of the important role that hotels play in the proliferation
21 of sex trafficking and of the revenue they derive from sex trafficking, both directly and
22 indirectly, from sex trafficking that occurs at their properties. Today, sex slavery is
23 pervasive in the United States, and hotels are the primary place where it happens.

²⁵ 16. ¹ For years, sex traffickers have “been able to reap these profits with little

1 risk when attempting to operate within hotels.”² In 2014, 92% of calls received by the
 2 National Human Trafficking Hotline involved reports of sex trafficking taking place at
 3 hotels.³ Hotels have been found to account for over 90% of commercial exploitation of
 4 children.⁴

6 17. To address the crisis of sex trafficking at hotels, multiple agencies and
 7 organizations who actively combat sex trafficking, including the United States Department
 8 of Homeland Security, the National Center for Missing and Exploited Children, the Polaris
 9 Project, the Texas Attorney General, Love 146, EPCAT, among others, have established
 10 recommended policies and procedures for recognizing the signs of sex trafficking.⁵
 11

14 1 “This is not only a dominant issue, it’s an epidemic issue.” See Jaclyn Galucci, *Human
 15 Trafficking is an Epidemic in the U.S. It’s Also Big Business*, Fortune (April 2019),
<https://fortune.com/2019/04/14/human-sex-trafficking-us-slavery/> (citing Cindy McCain,
 16 who chairs the McCain Institute’s Human Trafficking Advisory Council). “It’s also
 something that is hiding in plain sight. It’s everywhere—it’s absolutely everywhere.” *Id.*
 17

18 2 See *Human Trafficking in the Hotel Industry*, Polaris Project (Feb. 10, 2016),
 19 <https://polarisproject.org/blog/2016/02/10/human-trafficking-hotel-industry>; see also
 20 Eleanor Goldberg, *You Could Help Save A Trafficking Victim’s Life With Your Hotel Room
 Pic*, Huffington Post (June 2016), http://www.huffingtonpost.com/entry/taking-a-photo-of-your-hotel-room-could-help-save-a-trafficking-victimslife_us_57714091e4b0f168323a1ed7.

22 3 Michele Sarkisian, *Adopting the Code: Human Trafficking and the Hotel Industry*,
 Cornell Hotel Report (Oct. 2015),
<https://scholarship.sha.cornell.edu/cgi/viewcontent.cgi?article=1222&context=chrpubs>.

24 4 See Erika R. George and Scarlet R. Smith, *In Good Company: How Corporate Social
 Responsibility Can Protect Rights and Aid Efforts to End Child Sex Trafficking and Modern Slavery*, 46 N.Y.U. J. Int’l
 L. & Pol. 55, 66-67 (2013).

27 5 United States Department of Homeland Security Blue Campaign – One Voice. One
 Mission. End Human Trafficking,
<https://www.dhs.gov/sites/default/files/publications/blue-campaign/toolkits/hospitality-toolkit-eng.pdf> (last visited April 13, 2023); National Center for Missing and Exploited

1 18. Some of the recommended policies and procedures intended to reduce or
 2 eliminate sex trafficking, which Defendants are aware or should be aware of, include
 3 learning to identify warning signs and indicators of sex trafficking, including but not
 4 limited to:⁶

- 6 • Individuals show signs of fear, anxiety, tension, submission, and/or
 7 nervousness;
- 8 • Individuals show signs of physical abuse, restraint, and/or confinement;
- 9 • Individuals exhibit evidence of verbal threats, emotional abuse, and/or being
 10 treated in a demeaning way;
- 11 • Individuals show signs of malnourishment, poor hygiene, fatigue, sleep
 12 deprivation, untreated illness, injuries, and/or unusual behavior;
- 13 • Individuals lack freedom of movement or are constantly monitored;
- 14 • Individuals avoid eye contact and interaction with others;
- 15 • Individuals have no control over or possession of money or ID;
- 16 • Individuals dress inappropriately for their age or have lower quality clothing
 17 compared to others in their party;
- 18 • Individuals have few or no personal items—such as no luggage or other
 19 bags;
- 20 • Individuals appear to be with a significantly older “boyfriend” or in the
 21 company of older males;

24 Children, <https://www.missingkids.org/theissues/trafficking#riskfactors> (last visited April
 25 13, 2023); Love 146, *Red Flags for Hotel & Motel Employees*, <https://love146.org/wp-content/uploads/2017/04/Hospitality-Red-Flag-and-Reporting-Love146.pdf> (last visited April 13, 2023); Texas Attorney General, Human Trafficking Red Flags,
 26 https://www2.texasattorneygeneral.gov/files/human_trafficking/human_trafficking_red_flags_handout.pdf (last visited April 13, 2023).

27 ⁶ See *Id.*

- 1 • A group of girls appears to be traveling with an older female or male;
- 2 • A group of males or females with identical tattoos in similar locations. This
3 may indicate “branding” by a trafficker;
- 4 • Drug abuse or frequent use of “party drugs” such as GHB, Rohypnol,
5 Ketamine, MDMA (Ecstasy), Methamphetamines, Cocaine, and Marijuana;
- 6 • Possession of bulk sexual paraphernalia such as condoms or lubricant;
- 7 • Possession or use of multiple cell phones; and
- 8 • Possession or use of large amounts of cash or pre-paid cards.

10 19. Recognizing the unique vantage point that that hotel owners and staff often
11 have to identify potential human trafficking ventures and victims on their properties,
12 several major hotel chains, including franchisors, franchisees, and owner/operators, have
13 told the public they have accepted the unique opportunity and responsibility to stop
14 facilitating sex trafficking. In order to meet that responsibility, several (if not most) major
15 hotel chains have adopted robust anti-human trafficking policies to train its employees to
16 identify and properly respond to the “red flags” of sex trafficking. Each and every
17 Defendant named herein had the opportunity and responsibility to adopt, implement, and
18 enforce similar policies at the Howard Johnson. Unfortunately for D.H., such policies were
19 not in place or were not enforced at the Howard Johnson.
20
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23 **The Use of Howard Johnson Branded Properties for Sex Trafficking is Prevalent**

24 20. The use of Howard Johnson hotels for sex trafficking is well known to
25 Defendants. Defendants have known for years that pimps and traffickers use their hotels to
26 carry out their crimes. Scores of news stories dating back for over a decade highlight
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28

1 Defendants' knowledge of such conduct.⁷ Defendants knew, or should have known, of the
 2 use of Howard Johnson branded hotels for sex trafficking ventures. Dating back to dates
 3 prior to the sex trafficking of Plaintiff and continuing thereafter are notable complaints that
 4 put Defendants on notice of the frequent use of Howard Johnson hotels including the
 5 subject Howard Johnson for commercial sex and other associated illegal activity.

6
 7 21. These and other news stories show that the use of Howard Johnsons for sex
 8 trafficking was not isolated to one Howard Johnson or geographic area and the common
 9 use of Howard Johnson for sex trafficking turned into a nationwide problem that stemmed
 10 from decisions at the top.

11
 12 22. Each Defendant knew of the sex trafficking crisis prevalent in the hotel
 13 industry generally, as well as specifically at Howard Johnson branded hotels, including the
 14 subject hotel, and while Defendants claim not to tolerate such activity, the evidence shows
 15 and will show at trial that sex trafficking continued at the subject Howard Johnson
 16 frequently and long after the trafficking of the Plaintiff.

17
 18 **D.H. Was Trafficked at the Howard Johnson**

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 20 23. One of the lives devalued and otherwise adversely affected by Defendants'
 21 inattention to the prevention and eradication of sex trafficking was D.H.

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 25 ⁷ Barton Deiters, *Alleged victims testify in teen prostitution and human trafficking case*,
 26 MLive (Feb. 7, 2012), https://www.mlive.com/news/grand-rapids/2012/02/alleged_victims_testify_in_tee.html; Change.org, *Stop Wyndham Hotel Staff from Supporting Child Sex Trafficking in Wyndham Hotels*, <https://www.change.org/p/stop-wyndham-hotel-staff-from-supporting-child-sex-trafficking-in-wyndham-hotels> (last visited April 27, 2023); ILEANA MORALES and JESSICA VANDER VELDE, *Fugitives In Murder Arrested In Tampa*, Tampa Bay Times (Dec. 15,

1 24. From approximately February to May 2013, D.H. was repeatedly trafficked
2 for sex at the Howard Johnson located at 7110 E Indian School Rd Scottsdale AZ 85251.
3

4 25. The hotel rooms in which D.H. was trafficked were frequently paid for with
5 cash or prepaid card and D.H. dressed provocatively and avoided eye contact and
6 interactions with others when checking in.

7 26. The “Do Not Disturb” sign was used constantly.

8 27. D.H. requested room or housekeeping services (additional towels, new
9 linens, etc.) but denied staff entry into the room and refused cleaning services for multiple
10 days, all signs of a sex trafficking venture occurring that the hotel staff observed.

11 28. When staff was allowed into the room, they would have seen large amounts
12 of cash and sex paraphernalia (condoms, lubricant, lotion, etc.) and smelled bodily fluids
13 and musk.

14 29. There was also heavy foot traffic in and out of D.H.’s room involving men
15 who were not hotel guests. These individuals entered and left at unusual hours and were
16 present at the hotel for brief periods of time, which are signs of sex trafficking that hotel
17 staff observed.

18 30. Because policies purportedly enacted and enforced by Wyndham to identify
19 signs of sex trafficking and stop it from occurring were not properly implemented at the
20 Howard Johnson by either Defendant Wyndham or Defendant Scottsdale Inns, LLC,
21 D.H.’s trafficker was able to continue the trafficking venture at the Howard Johnson. Had
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28 2010), <https://www.tampabay.com/archive/2010/12/15/fugitives-in-murder-arrested-in-tampa/>.

1 Defendant Wyndham enforced the policies and procedures they enacted to prevent
 2 trafficking from occurring within their Howard Johnson branded hotels after observing an
 3 obvious sign of trafficking as described above, D.H.'s trafficking would have been
 4 identified and reported, which would have prevented her trafficking at the Howard
 5 Johnson. Furthermore, had Defendant Scottsdale Inns, LLC properly followed the
 6 franchise policies enacted by Wyndham to identify and prevent trafficking from occurring
 7 at Howard Johnson branded hotels as described above, D.H.'s trafficking would have been
 8 identified and reported, which would have prevented her trafficking at the Howard
 9 Johnson.

12 31. Despite obvious signs of human trafficking and indicators of commercial sex
 13 activity, Defendants failed to recognize, stop, or report the venture occurring on the
 14 premise that resulted in D.H.'s trafficking and consequently, actively facilitated the
 15 trafficking venture. The Defendants harbored or otherwise facilitated a sex trafficking
 16 venture on their hotel properties and accordingly, benefited, financial and otherwise, from
 17 the sex trafficking the Plaintiff suffered. Furthermore, the Defendants failed to prevent her
 18 continued victimization.

21 32. Defendants continued to allow illegal activities, including prostitution, to
 22 occur at the subject Howard Johnson, according to internet reviews.
 23

- 24 • TripAdvisor review from June 29, 2014 stating "ac didnt work they had
 25 blood or something on walls bathtub slippery thank god for shower curtain
 26 rod and had HOOKERS coming and going all the time NASTY will Never
 stay here again not worth the price at all!!!!"⁸

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 28 ⁸ https://www.tripadvisor.com/Hotel_Review-g31350-d74158-Reviews-Howard_Johnson_by_Wyndham_Scottsdale_Old_Town-Scottsdale_Arizona.html

- Kayak review from April 21, 2021 stating “Niehboring room had visitors coming and going at all hours? Suspicious activity for sure. Manager was unconcerned? The outside stairways and walkways were filthy. Management allowing activity in niehboring room to continue day and nite? That was ridiculous! Drug deals?? Who knows?”⁹

33. Defendants, acting by and through their agents, managers, vice-principals and employees, did not act to reduce or eliminate the human sex trafficking in the subject Howard Johnson, despite the obvious signs of sex trafficking and commercial sex taking place there because said Defendants were actively engaged in facilitation of and benefiting from said activities.

Scottsdale Inn, as Franchisee, Was Required to Report to the Franchisor, Wyndham

34. The relationship between Scottsdale Inn, as franchisee, and Wyndham, as franchisor, was governed by a franchise agreement.

35. At all material times, Wyndham had robust reporting requirements in place for its franchisees, such as Scottsdale Inn..

36. Wyndham requires its franchisees, such as Scottsdale Inn, to report all suspected instances of crime at Howard Johnson branded properties.

37. Based on information observed by the staff at the subject Howard Johnson, reports should have been made to Defendant Wyndham about the sex trafficking of D.H.

38. Defendant Wyndham exercised pervasive and systematic control over Defendant, Scottsdale Inn.

⁹ <https://www.kayak.com/Scottsdale-Hotels-Howard-Johnson-by-Wyndham-Scottsdale-Old-Town.433785.ksp>

1 39. Defendant Wyndham exercised an ongoing and systemic right of control
2 over Scottsdale Inn regarding the operation of the subject Howard Johnson.
3

4 40. At all relevant times, Scottsdale Inn was subject to and required to comply
5 with franchise agreement standards, policies, and rules adopted by Defendant Wyndham.
6 These standards and policies are detailed and control the specific manner and means by
7 which Defendant Scottsdale Inn must operate the subject Howard Johnson.
8

9 41. Wyndham requires its franchisees, such as Scottsdale Inn, to report all
10 suspected instances of sex trafficking at Howard Johnson branded properties.
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12 42. Wyndham required its franchisees, such as Scottsdale Inn, to allow
13 Wyndham to regularly inspect its Howard Johnson branded hotels.
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15 43. Wyndham regularly inspected the Howard Johnson.
16

17 44. One of Wyndham's most valuable assets is its brand.
18

19 45. Wyndham required Scottsdale Inn to adhere to strict requirements, including
20 but not limited to:
21

- 22 • standardized training methods for employees at the Howard Johnson;
- 23 • building and maintaining the Howard Johnson in a manner specified by
24 Wyndham;
- 25 • standardized or strict rules of operation for the Howard Johnson;
- 26 • regular inspection of the Howard Johnson and its operation by Defendant
27 Wyndham;
- 28 • prices fixed by Defendant Wyndham for the Howard Johnson;

- 1 • Defendant Wyndham provided an online booking platform for the Howard
- 2 Johnson;
- 3 • Defendant Wyndham established reporting requirements for the Howard
- 4 Johnson; and
- 5 • other actions that deprived Defendant Scottsdale Inn of independence in the
- 6 business operations of the Howard Johnson.

7
8 46. Wyndham regularly advised Defendant Scottsdale Inn on operational
9 changes necessary for it to remain in compliance with Wyndham's strict regulations

10
11 47. Wyndham had the ability to impose fees or fines on Scottsdale Inn.
12 Furthermore, at all material times, Wyndham retained an absolute right to cancel its
13 franchise agreement with Defendant Scottsdale Inn if Wyndham's rules were violated or if
14 Scottsdale Inn otherwise failed to comply with its contractual obligations.

15
16 48. At all relevant times, Defendant Scottsdale Inn acted as the agent of
17 Defendant Wyndham when operating the subject Howard Johnson.

18
19 49. Wyndham and Defendant Scottsdale Inn shared control of the terms and
20 conditions of the employment of staff at the subject Howard Johnson and, therefore,
21 Defendant Wyndham and Defendant Scottsdale Inn are joint employers. Upon information
22 and belief, Defendant Wyndham exercised control over the terms and conditions
23 employment of staff at the subject Howard Johnson.

24
25 50. Therefore, as a result of the strict reporting requirements, at all material
26 times, each and every Defendant knew or should have known of their facilitation of sex
27

1 trafficking at the Howard Johnson, including the facilitation of the sex trafficking of D.H.

2 **D.H.'s Trafficking Could Have Been Prevented at the Howard Johnson**

3 51. At all material times, each and every Defendant owned, operated, managed,
 4 supervised, controlled, and/or was responsible for the operations of the Howard Johnson.

5 52. Defendants acted jointly to rent rooms at the Howard Johnson, with
 6 Wyndham retaining control over reservation systems and policies, training, and protocols
 7 as further described in this Complaint.

8 53. Defendants were jointly responsible for customer safety and, specifically,
 9 prevention of human trafficking at the Howard Johnson. Defendant Wyndham retained
 10 control over, and thus had a duty with respect to, customer safety at the Howard Johnson
 11 generally and specifically regarding detection of and response to human trafficking at the
 12 Howard Johnson.

13 54. Armed with knowledge of the prevalence of trafficking in the hotel industry,
 14 at Howard Johnson hotels across the country, and the signs present at the subject Howard
 15 Johnson, each and every Defendant had an obligation to enact, implement, follow, and
 16 enforce policies to identify sex trafficking and not to participate in or benefit from the
 17 facilitation thereof. Each and every Defendant failed to do so and thus facilitated sex
 18 trafficking that operated out of Howard Johnson.

19 55. The most effective weapon against sexual exploitation and human trafficking
 20 is education and training.¹⁰ As ECPAT concluded:

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 28 ¹⁰ Polaris, *Recognizing Human Trafficking*, <https://polarisproject.org/recognizing-human-trafficking/> (last visited April 13, 2023).

1 The hospitality industry is in a unique position to identify and report human
 2 trafficking due to its perceived anonymity. Traffickers believe they can go
 3 unnoticed while exploiting victims across the globe in hotels— ranging from
 4 budget properties to luxury resorts. From check-in to check-out there are a
 5 number of indicators victims and exploiters exhibit during the time they are
 6 on a hotel property.¹¹

7 56. This same conclusion is echoed by others who seek to eliminate or minimize
 8 sex trafficking in the hospitality industry, including the American Hotel Lodging
 9 Association: “Hotel employees who have undergone training are more aware of trafficking
 10 when it happens – and are more willing to report it – than those who have not been
 11 trained.¹² In reference to companies like the Defendants, ECPAT observed: “If they do
 12 nothing to raise awareness or to prevent child trafficking, they risk becoming an indirect
 13 and unintentional conduit for the abuse that takes place.”

14 57. If the Defendants had adequately trained and implemented guidelines, “red
 15 flags,” training policies and procedures, and other recommendations adopted in the
 16 industry, each and every Defendant would have or should have known of D.H.’s
 17 trafficking at the Howard Johnson and would have been in a position to prevent the
 18 trafficking of D.H.

19 58. The “red flags” and signs of a sex trafficking venture described above were
 20 observed by Defendant Scottsdale Inn. Upon information and belief, Scottsdale Inn should
 21 have reported the signs of sex trafficking to Defendant Wyndham.

22 ¹¹ ECPAT USA, *Training for Hotel Associates*, <https://www.ecpatusa.org/hotel-training>
 23 (last visited April 13, 2023). See also Carolin L. et al., *Sex Trafficking in the Tourism
 24 Industry*, J. Tourism Hospit. (2015), [https://www.longdom.org/open-access/sex-
 26 trafficking-in-the-tourism-industry-2167-0269-1000166.pdf](https://www.longdom.org/open-access/sex-

 25 trafficking-in-the-tourism-industry-2167-0269-1000166.pdf).

1 59. Had each and every Defendant educated and/or trained their actual or
 2 apparent agents, servants, franchisees, employees and/or staff regarding human trafficking
 3 and their warning signs, their actual or apparent agents, servants, franchisees, employees
 4 and/or staff would have more aware of human trafficking taking place at their hotels,
 5 including the Howard Johnson, and could have, at best, prevented it from happening or, at
 6 worst, been more willing to report it when it happened.
 7

8 60. Each and every Defendant's active decision not to prevent and stop sex
 9 trafficking and sexual exploitation at their hotels, including the Howard Johnson, makes
 10 them accountable to victims of sex trafficking, including the Plaintiff D.H.
 11

12

13 61. Thus, each and every Defendant engaged in acts and omissions that were
 14 supported, facilitated, harbored, and otherwise furthered the trafficker's sale and
 15 victimization of D.H. for commercial sexual exploitation. More specifically, the
 16 Defendants rented rooms to D.H.'s trafficker, permitted their illicit enterprise to operate on
 17 an ongoing and repetitious basis, and took no action to abide by Wyndham's own self-
 18 imposed anti-trafficking measures. This and related behavior by Defendants provide an
 19 ample basis to conclude that they participated in the venture that trafficked D.H.
 20

21 62. The motivation behind each and every Defendant's ongoing willful blindness
 22 and ongoing failure to act is plain and simple – limitless corporate greed; each and every
 23 Defendant ignored all of the signs of and/or solutions to human trafficking out of an
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 28 ¹² AHLA, *Free Online Training*, <https://www.ahla.com/issues/human-trafficking> (last visited April 13, 2023).

1 unfettered fealty to their profit margins and a corresponding complete disregard for the
2 value of human life.

3 **Each Defendant Knowingly Benefitted from D.H.'s Sex Trafficking**

4 63. Plaintiff alleges that each of the Defendants knowingly received benefits
5 from participating in the venture that facilitated D.H.'s trafficking at the Howard Johnson.

6 64. As a result of the strict reporting requirements at all material times, both
7 Defendants knew they were both facilitating and benefitting from sex trafficking at the
8 Howard Johnson including the sex trafficking of D.H.

9 65. Wyndham, as franchisor, generates substantial income from operations of
10 hotels such as the Howard Johnson. In exchange for providing the services described
11 above and more specifically delineated in the controlling franchise agreement, Wyndham
12 received a share of the profits from room rentals collected by Defendant Scottsdale Inn at
13 the Howard Johnson. The primary source of Wyndham's income is the franchising royalty
14 fee, but Wyndham also profits from reservation fees, marketing fees, loyalty program fees,
15 and other miscellaneous ancillary fees, as described in the franchise documents. The fees
16 generated by Wyndham are primarily based on gross room rentals; therefore, Wyndham's
17 profits increase with each room rental.

18 66. Defendant Scottsdale Inn, as franchisee, profited from every stay by every
19 patron at the Howard Johnson, both from room rentals and other hotel services.

20 67. Upon information and belief, Wyndham knowingly benefitted from its
21 participation in the sex trafficking venture carried on at the Howard Johnson in that it
22

1 received a portion of the proceeds collected by its franchisee.

2 68. Therefore, at all material times, Defendant Wyndham and Defendant
3 Scottsdale Inn received monetary payment for the rental of rooms at the Howard Johnson,
4 including the rooms where D.H. was being trafficked.
5

70. As a result of the monies paid by D.H.'s trafficker to the secure rooms for
her trafficking at the Howard Johnson, Defendant Wyndham and Defendant Scottsdale Inn
knowingly benefitted from participating in the venture that trafficked, harbored, and
maintained D.H.'s trafficking at the Howard Johnson.

CAUSE OF ACTION—SEX TRAFFICKING UNDER THE TVPRA

19 71. D.H. incorporates all other allegations.

20 72. At all relevant times, D.H. was and is a victim within the meaning of 18
21 U.S.C. § 1591 and 1595(a).

23 73. Defendants are liable as perpetrators within the meaning of 18 U.S.C. §
24 1595(a) because in the ways described above:

- Each Defendant knowingly or recklessly participated in harboring, maintenance, and/or other acts in furtherance of sex trafficking, including the sex

1 trafficking of D.H.; and

- 2
- 3 • Each Defendant knowingly benefitted, by receiving financial and other
4 compensation, through their participation in a venture that they knew or were
5 reckless in not knowing involved involving the trafficking, harboring, and
6 maintenance of sex trafficking victims in exchange for financial benefits. 18
7 U.S.C. §§ 1590(a), 1591(a)(2), 1593A.
- 8

9 74. Defendants are liable as beneficiaries within the meaning of 18 U.S.C. §
10 1595(a) because, as described above, each and every Defendant knowingly benefitted, by
11 receiving financial and other compensation, for their participation in a venture they knew
12 or should have known was engaged in sex trafficking, in violation of the TVPRA, 18
13 U.S.C. § 1591, *et seq.*

14

15 75. Despite knowledge of D.H.'s sex trafficking by the Defendants, D.H.'s
16 trafficker was able to continue renting rooms for the sexual exploitation of D.H. at the
17 Howard Johnson.

18

19 76. Each Defendant participated in a venture together and with, among others,
20 D.H.'s trafficker. Despite the fact that Defendants knew or should have known that D.H.
21 was being sex trafficked in violation of the TVPRA, D.H.'s trafficker was able to continue
22 renting rooms for the sexual exploitation of D.H. at the Howard Johnson. D.H.'s sex
23 trafficker frequently used the subject Howard Johnson because they knew that staff
24 members looked the other way despite obvious signs of trafficking. Each of the venturers
25 shared a common purpose – the rental of hotel rooms and the making of profits. Each
26
27

1 Defendant profited while D.H. ‘s trafficker was able to rent a secure venue to earn profits
2 by trafficking D.H. Each Defendant participated in the venture by continually renting
3 rooms to D.H.’s trafficker, failing to properly implement anti-trafficking rules and policies,
4 and assisting traffickers to continue their sexual exploitation with minimal risk of detection
5 and disturbance, all the while ignoring the obvious signs of D.H.’s trafficking.

6
7 77. Each Defendant’s failure to train and supervise their agents and employees
8 and their inattention to the plights of their patrons, including D.H. at the Howard Johnson,
9 enabled and contributed to the sex trafficking of D.H.

10
11 78. Each Defendant received substantial financial benefits as a result of these
12 acts and/or omissions. Wyndham received benefits in the way of management fees, royalty
13 fees, reservation fees, marketing fees, and other ancillary fees from the operation of the
14 Howard Johnson. Scottsdale Inn received benefits in the way of room rental fees, in-room
15 purchases, and other ancillary expenses by patrons and visitors of the Howard Johnson.

16
17 79. The facts alleged establish that each Defendant knowingly benefitted,
18 financially or by receiving anything of value from participating in a venture that
19 Defendants knew or should have known has engaged in an act in violation of the TVPRA.

20
21 80. Each Defendant’s TVPRA violations were a direct, producing, and
22 proximate cause of the injuries and damages to D.H.

23
24 81. D.H. further alleges that, as a result of the relationship between Wyndham
25 and Scottsdale Inn, Wyndham is vicariously liable for the acts of Scottsdale Inn, including
26 at the Howard Johnson. Factors that support this allegation are that Wyndham shared
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28

1 profits, standardized employee training, standardized and strict rules of operations,
2 Wyndham controlled pricing and reservations, regularly conducted inspections,
3 operational support and control, and other acts described above. Finally, Wyndham had the
4 right to terminate any franchisee, including Scottsdale Inn, that failed to comply with the
5 requirements promulgated by Wyndham. Thus, Wyndham retained control, or the right to
6 control, the mode and manner of work contracted for.
7

9 82. D.H. further alleges that Wyndham is vicariously liable for the acts and
10 omissions of the staff at the subject Howard Johnson because Wyndham, together with
11 Scottsdale Inn, acts as the joint employer of these employees because Wyndham and
12 Scottsdale Inn jointly control the terms and conditions of their employment.

DAMAGES

15 83. Wyndham and Scottsdale Inn's acts and omissions, individually and
16 collectively, caused D.H. to sustain legal damages.

18 84. Wyndham and Scottsdale Inn are joint and severally liable for all past and
19 future damages sustained by D.H.

85. D.H. is entitled to be compensated for personal injuries and economic damages, including:

- a. Actual damages;
 - b. Direct damages;
 - c. Incidental and consequential damages;
 - d. Mental anguish and emotional distress damages (until trial and in the future);

- 1 e. Lost earning capacity in the future;
- 2 f. Loss of self-esteem and self-worth;
- 3 g. Necessary medical expenses;
- 4 h. Physical pain and suffering;
- 5 i. Physical impairment;
- 6 j. Emotional impairment;
- 7 k. Unjust enrichment; and
- 8 l. Penalties.

11 86. D.H. is entitled to exemplary damages.

12 87. D.H. is entitled to treble damages.

13 88. D.H. is entitled to recover attorneys' fees and costs of court.

14 89. D.H. is entitled to pre- and post-judgment interest at the maximum legal
15 rates.

16 90. A constructive trust should be imposed on Wyndham and Scottsdale Inn, and
17 the Court should sequester any benefits or money wrongfully received by Wyndham or
18 Scottsdale Inn for the benefit of D.H.

21 **DISCOVERY RULE**

22 To the extent Defendants assert an affirmative defense of limitations, Plaintiff
23 invokes the discovery rule. At the time Plaintiff was harmed, Plaintiff did not know that
24 she was the victim of human trafficking, that her injury arose from being trafficked at
25 Defendant(s) hotels or that she was a person trafficked, much less that she was being
26

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1 victimized by a human trafficking venture, and she did not discover and was not in a
2 position to discover the legal cause of her injury, and certainly not more than ten years
3 before suit was filed. Moreover, at the time the trafficking occurred, Plaintiff did not know
4 what “human trafficking” was, much less that she was being victimized by a human
5 trafficking venture, and she did not discover and was not in a position to discover the
6 existence of a cause of action until shortly before suit was filed, and certainly not more
7 than ten years before suit was filed.

JURY TRIAL

91. D.H. demands a jury trial on all issues.

RELIEF SOUGHT

14 92. Wherefore, D.H. respectfully requests judgment against Wyndham,
15 Scottsdale Inns, LLC, Scottsdale Inn, LLC, PRC Investment LLC, and Parimal Parmar,
16 jointly and severally, for actual damages in excess of the minimum jurisdictional limits of
17 this Court, pre- and post-judgment interest as allowed by law, costs of suit, attorney fees,
18 and all other relief, at law or in equity, to which she may be justly entitled.
19

Respectfully submitted,

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By: _____/s/

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